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Enriching Lives Through Effective And Caring Service



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Cynthia D. Banks Director

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September 06, 2016

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

34 September 6, 2016

LORI GLASGOW EXECUTIVE OFFICER

DELEGATE AUTHORITY TO EXTEND AND AMEND CURRENT ADULT, DISLOCATED WORKER RAPID RESPONSE, AND OUT-OF-SCHOOL YOUTH PROVIDER CONTRACTS AND ALLOCATE FUNDING TO ENSURE COMPLIANCE WITH THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) FINAL FEDERAL REGULATIONS

(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Community and Senior Services (CSS) seeks approval from your Board to extend contracts for current workforce development system providers for up to nine (9) months. The requested authority will enable the County to maintain delivery of workforce development services while the County modifies its recently-released WIOA RFP to incorporate substantive changes included in the WIOA, Public Law 113-128, Final Regulations, released on June 30, 2016 by the U.S. Departments of Labor and Education.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Delegate authority to the Director of CSS, or designee, to extend and amend current Adult, Dislocated Worker, Rapid Response and Out-of-School Youth provider contracts for up to nine (9) months and allocate funding in the amount of \$15,561,105, for a total of \$28,422,210, as outlined in Attachment A, provided that CSS notifies your Board and the Chief Executive Office, in writing, within ten (10) days of the extensions, after approval as to form by County Counsel.
- 2. Delegate authority to the Director of CSS, or designee, to amend contracts to increase allocations to contractors that may exceed the current limit of 10% based on availability of funding and contractor performance, provided that CSS notifies your Board and the Chief Executive Office, in writing, within ten (10) days of the increase, after approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

CSS operates a network of America's Job Centers of California (AJCCs) that provides workforce development services to connect adults and youth with employment opportunities, work experience and training, as well as targeted Rapid Response services for businesses and employers experiencing layoffs or facility closures. The County's workforce development service delivery area includes 58 cities and all unincorporated areas in the five supervisorial districts.

On April 29, 2016, CSS released Los Angeles County AJCC RFP No: WIOA-01-2016 to procure new workforce system providers. However, on June 30, 2016, the U.S. Departments of Labor and Education issued the Final WIOA Regulations, which include substantive clarifications to the original legislation and subsequent State and federal guidance. In particular, the Final Regulations delineate specific Business Services activities that must be provided at the local level and also include changes to Youth Program eligibility and activities. In addition, the Final Regulations provide additional guidance on the role of Temporary Assistance for Needy Families at each AJCC and define the role of the One Stop Operator. Consequently, CSS is modifying the RFP to ensure it incorporates all changes included in the Final Regulations and positions the County to establish the strongest possible workforce development system under WIOA.

This newly procured workforce development system will be operational by July 1, 2017. The recommendations presented in this Board letter will provide CSS the necessary authority to maintain current delivery of workforce development programs through June 30, 2017 while the procurement process is underway. Authority is sought to extend current workforce program contracts for nine (9) months, which includes three (3) months to allow contractors sufficient time to ramp down services under existing regulations, transition to the requirements of the new regulations, or closeout activities for those contractors which are unsuccessful in the RFP process.

PERFORMANCE MEASURES

The contract extensions requested will include requirements to achieve new performance outcomes mandated by WIOA including: new outcomes that will measure effectiveness in serving employers, measurable skill gains in training and/or education, attainment of recognized post-secondary credentials or degrees, and median income. Existing performance outcomes that will be continued include placement into unsubsidized employment or post-secondary education.

Implementation of Strategic Plan Goals

The recommended actions support Countywide Strategic Plan Goal 1: Operational Effectiveness/Fiscal Sustainability; Goal 2: Community Support and Responsiveness; and Goal 3: Integrated Services Delivery.

FISCAL IMPACT/FINANCING

There is no Net County Cost (NCC) impact as the WIOA programs referenced herein are fully financed by federal grant funding.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 22, 2014, WIOA (Public Law 113-128) was signed into law to improve State and local

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workforce development systems to ensure they prepare a skilled workforce for the 21st century economy. WIOA included new mandates that impact the County's workforce development system, such as an expansion of services for businesses, a prioritization of services for out-of-school youth and an emphasis on training in-demand industry sectors.

CONTRACTING PROCESS

On June 9, 2015, your Board approved contract extensions with current Adult, Dislocated Worker, Out-of-School Youth, and Rapid Response contractors for at least 12 months and not more than 18 months while the County procures a strengthened workforce development system consistent with WIOA's mandates. On April 29, 2016, CSS released Los Angeles County AJCC RFP No: WIOA-01-2016 to procure new workforce system providers. The release of the WIOA Final Regulations by the U.S. Departments of Labor and Education on June 30, 2016 requires substantive modifications to the RFP. A revised RFP is targeted for release prior to September 30, 2016.

MONITORING

CSS will continue to contract with the County's Department of Auditor-Controller (AC) to conduct fiscal and contract compliance monitoring of all of its WIOA contractors in the same manner as has been done since 2004. In addition to the AC's efforts, CSS will monitor contractor performance and invoices. CSS will continue to conduct resolution processes with contractors, as required by the funding source, to ensure that any findings or issues are corrected, remediation completed, and, when appropriate, sanctions or contract remedies applied.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The recommended actions will allow for the continued provision of workforce development services to job seekers and employers within Los Angeles County without risking a break in service while the County procures a new workforce development system that will be operational by July 1, 2017.

CONCLUSION

Should you have questions, please contact Josephine Marquez at (213) 738-3175 or jmarquez@css.lacounty.gov.

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Cynthia D. Banks

Respectfully submitted,

CYNTHIA D. BANKS

Director

CDB:JM:CSH

Enclosures

c: Chief Executive Officer

County Counsel

Executive Officer, Board of Supervisors

FY 2016-17 Contract Extension Annual Funding Amounts

Agencies	Supervisorial District	Approved Funding*	Additional Funding	Total Funding**
		(A)	(B)	(C)=A+B
Antelope Valley Consortium	5th	619,021	619,021	1,238,042
Arbor E&T LLC - East Los Angeles	1st	551,818	551,818	1,103,636
Arbor E&T LLC - Florence Firestone	2nd	185,767	185,767	371,534
Asian Youth Center	5th	280,000	280,000	560,000
AYE Catholic Charities	1st and 2nd	560,000	560,000	1,120,000
City of Los Angeles - HACLA	2nd	280,000	280,000	560,000
City of Los Angeles - NE San Fernando	3rd	147,800	147,800	295,600
City of Palmdale	5th	309,465	309,465	618,930
City of Palmdale - Countywide Veterans	1st, 2nd, 3rd, 4th and 5th	325,000	325,000	650,000
Community Career Development	2nd	402,497	402,497	804,994
Community Career Development - South Los Angeles	2nd and 4th	408,359	408,359	816,718
Goodwill - Central San Gabriel Valley	1st and 5th	614,328	614,328	1,228,656
Goodwill - Pomona	1st	287,894	287,894	575,788
Hub Cities Consortium	1st and 2nd	1,260,713	1,260,713	2,521,426
Jewish Vocational Services - West Hollywood	3rd	384,132	384,132	768,264
Jewish Vocational Services - West Los Angeles	2nd, 3rd and 4th	325,413	325,413	650,826
Managed Career Solutions - API Center	5th	432,699	432,699	865,398
Managed Career Solutions - West San Gabriel Valley & East San Gabriel Valley	1st, 2nd and 5th	1,040,760	1,040,760	2,081,520
Southeast Area Social Services Funding Authority	1st and 4th	945,439	945,439	1,890,878
NON-TRAINING TOTAL		9,361,105	9,361,105	18,722,210
TRAINING & WAGES		3,500,000	5,300,000	8,800,000
TRANSITIONAL & CLOSEOUT ACTIVITIES***			900,000	900,000
GRAND TOTAL		12,861,105	15,561,105	28,422,210

^{*}This reflects funding authority approved by the Board of Supervisors on June 9, 2015.

^{**}Funding amounts may increase depending on available funding

^{***\$900}k will be set aside to offset transitional and closeout activities beyond June 30, 2017